



Issue 29

A R M Y

ACQUISITION REFORM



2 August 1996

ACQUISITION REFORM INCENTIVES CLAUSE

Acquisition Reform is quickly becoming a major Army success story. As a result of acquisition reform, we have documented cost reductions of \$8.3 billion in sixty-eight systems programs. However, there are many not yet exploited opportunities for additional cost reductions through acquisition reform. The Deputy Assistant Secretary of the Army (Procurement) has issued an Acquisition Reform Incentives Clause, to be used to encourage contractors to submit Acquisition Cost Reduction Initiative (ACRI) proposals. This clause offers opportunities for sharing cost savings and compliments the hardware oriented Value Engineering Clause. The complete Acquisition Reform Incentives Clause can be found at... <http://acqnet.sarda.army.mil/> (Army Acquisition Newsletters Notes).

STREAMLINING USE OF IMPAC

In order to continue to reap benefits by the use of the IMPAC Card, US Army Garrison Aberdeen Proving Ground (USAGAPG) identified eighty-eight vendors who are awarded repetitive purchase orders and sent each vendor a "Acceptance of Clauses Certification" form. This form, once signed and accepted by the contractor, will allow buyers to place orders up to \$25,000 using their VISA IMPAC cards. This procedure will not only eliminate the time to process a written purchase order, but also reduces the administrative cost of payment and purchase order processing.

SSCOM SAVES \$2.2M ON MOUNTED WATER RATION

The SSCOM Natick Research, Development and Engineering Center (NRDEC) was tasked with either finding or developing a heating system for armored vehicles. A market investigation targeted a commercially available device, the MWRH, that would do the job. The alternative--developing a unique device specifically for the military--would have consumed considerable time and resources. By using a procurement strategy based on "performance specification" rather than a "detailed military designed specification" the NRDEC saved \$2.2M in research and development (R&D) costs.

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